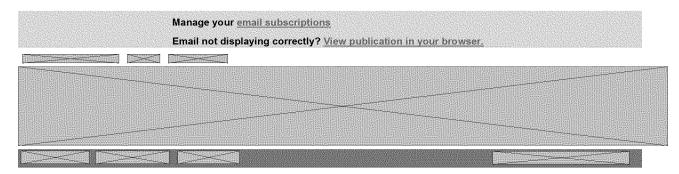
**To:** Mylott, Richard[Mylott.Richard@epa.gov]

From: BNA Highlights

**Sent:** Thur 6/19/2014 8:25:24 PM

Subject: Jun 19 -- BNA, Inc. Daily Environment Report - Latest Developments



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## Latest Developments -- Your Preview of the Day's News

The following news provides a snapshot of what Bloomberg BNA is working on today. Read the full version of all the stories in the final issue, published each night.

Power Plant Rule Fits Within 'Four Corners' of Section 111(d), McCabe Says

Posted June 19, 2014, 11:33 A.M. ET

By Andrew Childers

The Environmental Protection Agency's top air official told a House subcommittee this morning the agency has the legal authority under a little-used section of the Clean Air Act to issue a proposed rule to curb carbon dioxide emissions from existing power plants.

"What we've done with this rule is completely within the four corners of" Section 111(d) of the Clean Air Act, Janet McCabe, the EPA acting assistant administrator for air and radiation, told the House Energy and Commerce Subcommittee on Energy and Power.

House Republicans pressed the EPA to explain its legal authority to set statewide emissions rates for existing fossil fuel-fired power plants.

Subcommittee Chairman Ed Whitfield (R-Ky.) said the EPA previously has issued performance standards under 111(d) that required emissions reductions at the facility level rather than at the state level.

"EPA has never been this extreme under 111(d) before," Whitfield said. "Instead of the states establishing a performance standard for units within the source category, EPA is now dictating to the states the level of emissions reductions states must meet."

McCabe said the EPA previously determined it could establish emissions trading programs for power plants when it issued the Clean Air Mercury Rule. That rule would have established a mercury emissions trading program for power plants. It was struck down by the U.S. Court of Appeals for the District of Columbia Circuit in 2008, but the court's decision did not address the EPA's authority under Section 111(d).

House to Move Keystone, LNG Export Bills Next Week

Posted June 19, 2014, 2:28 P.M. ET

Daily Environment Report

### By Dean Scott

The House will take up several energy bills on the floor next week, including one (H.R. 6) that would expedite the Energy Department's approval of pending applications to export U.S. natural gas and a measure (H.R. 3301) targeting President Barack Obama's authority to decide the fate of the Keystone XL Pipeline.

House Speaker John Boehner told reporters today Republicans would move several "all-of-the-above energy" bills the week of June 23. The House may also fast-track several relatively noncontroversial energy efficiency bills under suspension procedures, a House Energy and Commerce Committee aide told Bloomberg BNA.

A third bill (H.R. 4899) to expand offshore oil leasing is also pending before the House Rules Committee, which acts as the final hurdle before bills can go to the floor. But it is unclear if the House can move so many energy measures in a single week. A Democratic aide with the House energy committee said Democrats also expect floor action soon on H.R. 4975, a Republican-led bill to expedite processing of preconstruction permits issued under the Environmental Protection Agency's new source review program.

Fortune 100 Companies Report Savings From Energy, Climate Efforts

Posted June 19, 2014, 12:10 P.M. ET

### By Andrea Vittorio

Fifty-three companies in the Fortune 100 have reported collective savings of \$1.1 billion annually from their efforts to reduce greenhouse gas emissions and source more renewable energy, according to a <u>report</u> released today by Calvert Investments, Ceres, David Gardiner & Associates, and the World Wildlife Fund.

Together, the companies also decreased their annual carbon dioxide emissions by more than 58 million metric tons, the equivalent of retiring 15 coal-fired power plants.

The report said UPS, Cisco Systems, PepsiCo, United Continental and General Motors saw the greatest improvements to their bottom line, with annual savings ranging from about \$73 million to \$200 million at each company.

Alexander Says Senate May Move to Minibus by Noon

Posted June 19, 2014, 11:59 A.M. ET

# By Nancy Ognanovich

Sen. Lamar Alexander (R-Tenn.) told members of the Senate Appropriations Committee he is helping to broker an agreement that will permit the Senate to officially begin debate on the three-bill minibus by noon.

Alexander said at a full committee markup he is working on a deal with his Republican colleagues that should permit the Senate to move on to the measure and begin working on amendments.

"I hope that we do that by noon," Alexander told Chairwoman Barbara Mikulski (D-Md.) and other members.

Alexander said the key is to allow both sides to have amendments. The lawmaker said the goal should be to have "a reasonable number of germane amendments" from both sides.

Alexander spoke at a markup where Mikulski revealed the panel dropped the annual Energy and Water spending bill from the agenda due to White House concerns that Republicans would try to use the measure to upend the Environmental Protection Agency's recent rulemaking dealing with the coal industry.

White House Veto Threat Led to Canceled Markup, Mikulski Says

Posted June 19, 2014, 11:12 A.M. ET

By Ari Natter

The markup of a \$34.2 billion energy and water spending bill for fiscal year 2015 was canceled after the White House said it would veto the legislation if an amendment to halt the Environmental Protection Agency's power plant rule were attached, the chairwoman of the Senate Appropriations Committee said today.

"Up until 7:30 last night, I was saying press on, press on. I knew it was going to be controversial. I was ready for controversy," Committee Chairwoman Barbara Mikulski (D-Md.) said during a committee business meeting.

Senate Minority Leader Mitch McConnell (R-Ky.) planned to offer an amendment to the legislation that would block funding for the EPA to finalize or implement its carbon dioxide limits for power plants, according to a McConnell aide.

A spokesman for Democrats on the Appropriations Committee did not respond to a request for comment.

TSCA Reform Prospects 'Very Remote' This Year: Durbin

Posted June 19, 2014, 1:59 P.M. ET

### By Anthony Adragna

Senate Majority Whip Dick Durbin (D-III.), the No. 2 Democrat in the Senate, told Bloomberg BNA today that prospects for reforming the 1976 Toxic Substances Control Act are "very remote" this year.

Nearly a dozen co-sponsors of compromise legislation (S. 1009) from Sen. David Vitter (R-La.) and the late Sen. Frank Lautenberg (D-N.J.) said in interviews they had heard little about the legislation recently, and most aren't optimistic significant progress would come this year.

Key to progress would be Sen. Barbara Boxer (D-Calif.), chairman of the Senate Environment and Public Works Committee. She has been critical of S. 1009 and said she hasn't heard back from Vitter on an alternative offer for more than a month.

"It's up to them," Boxer told Bloomberg BNA June 17, referring to Senate Republicans on whether a bill could be completed. "A good bill is worth a lot, but a bad bill is not."

Wyoming to Test for Oil, Gas Contaminants Near Pavillion

Posted June 19, 2014, 3:29 P.M. ET

### By Tripp Baltz

Wyoming will test groundwater in the oil and gas drilling field near Pavillion in search of the possible existence of the pollutants examined by the Environmental Protection Agency in its 2011 study of the area's drinking water supplies.

The state Department of Environmental Quality (DEQ) will examine the integrity of oil and gas wells within one-quarter mile of some 14 private residential drinking water wells in the Pavillion Field, Keith Guille, spokesman for the department, told Bloomberg BNA today.

In December 2011, the EPA released a draft report stating that groundwater contamination in Pavillion was "likely associated with gas production practices, including hydraulic fracturing." In June 2013 the EPA turned over the lead role in the Pavillion investigation to the DEQ and the state Oil and Gas Conservation Commission.

Conservancy Sues Interior Over 'Eagle Kill' Rule for Energy Companies

Posted June 19, 2014, 4:15 P.M. ET

# By Tripp Baltz

The American Bird Conservancy sued the Interior Department today for the department's final rule allowing operators of wind farms to receive permits to kill or otherwise harm eagles for up to 30 years (Shearwater v. Ashe, N.D. Cal., No. 5:14-CV-2830, 6/19/14).

The conservancy's lawsuit cites the department and the Fish and Wildlife Service as violators of the National Environmental Policy Act, the Bald and Golden Eagle Protection Act and other statutes in issuing the final rule.

The Interior Department issued the rule in December 2013 to facilitate development of renewable energy and other projects that are intended to operate for decades, as long as companies adopt measures designed to minimize harm to eagles. The rule replaced a system launched in 2009 that limited the permits to five years.

FERC Revises Rules for Investing in New Transmission

Posted June 19, 2014, 12:33 P.M. ET

By Lynn Garner

The Federal Energy Regulatory Commission approved June 19 a new methodology for setting rates of return for developers and financial backers of new transmission in the wholesale electricity markets.

The commission sought to resolve a backlog of cases and court challenges to existing incentive ratemaking guidelines (Docket No. EL11-66-001).

New England states said FERC's approved rates of return are too high and are detrimental to consumers. New England transmission-owning utilities said lower returns on equity would discourage financial investment needed to build new transmission lines.

The new base return on equity assumes a long-term growth rate based on gross domestic product that would be 10.57 percent for New England rates, at a midpoint, which would be a reduction from prevailing rates in the region.

The commission was split on the issue. Commissioner John Norris of Iowa called for higher rates of return to help finance long-distance transmission lines that he said are needed to serve renewable energy resources in the Midwest and West.

**European Commission Unveils Endocrine Disruptors 'Roadmap'** 

Posted June 19, 2014, 3:53 P.M. ET

By Stephen Gardner

A public consultation on long-awaited criteria for the identification of endocrine-disrupting substances, to be applied in European Union legislation on chemicals and products containing chemicals, is "expected to be started in 2014," according to a European Commission "roadmap" on the definition of the criteria.

The criteria could affect the implementation of a number of EU laws, including the REACH chemicals regulation and laws on pesticides, cosmetics, biocidal products and water quality, according to the roadmap, which was issued by the commission June 17.

Under two EU laws—the 2009 Plant Protection Products Regulation ((EC) No. 1107/2009) and the 2012 Biocidal Product Regulation ((EU) No. 528/2012)—the commission was required to produce the criteria by mid-December 2013, but the criteria have been delayed by the complexity of the issue. The commission is the EU's executive arm.

Endocrine disruptors are substances that can interfere with human or animal hormone systems, and that have been linked with cancer, infertility and other health problems.

DOE Deputy Secretary Poneman to Retire in Fall, Moniz Says

Posted June 19, 2014, 11:47 A.M. ET

By Ari Natter

Dan Poneman, deputy secretary of the Energy Department, will be retiring from the department in the fall after five years in the position, Secretary Ernest Moniz said in an e-mail to staff today.

Poneman, who has also served as acting secretary and chief operating officer, "has also been instrumental in the Department's response to crises from negotiations with Iran in 2009, to Fukushima, to Hurricane Sandy, and in developing our emergency response capability." the memo said.

Poneman is stepping down "so that he and his family can move on to their next adventure," Moniz wrote.

The department did not announce its intention for a replacement.

FERC Approves Sempra's Cameron LNG Export Project

Posted June 19, 2014, 10:51 A.M. ET

By Lynn Garner

The Federal Energy Regulatory Commission today approved a siting permit for a natural gas export facility to be built in Cameron Parish, La.

FERC also approved required natural gas pipeline and compression facilities needed for the project, which is owned by Sempra Energy Corp.

The commission action represents only the second time that FERC has approved a certificate for a developer to site, construct and operate a liquefied natural gas export terminal. Cameron LNG proposes to liquefy and export up to nearly 15 million metric tons of natural gas per year.

The commissioners voted their approval at a monthly business meeting by voice vote. They adopted FERC staff recommendations to impose 75 conditions to mitigate any adverse environmental impacts.

Cameron already has received conditional approval for export licenses from the Department of Energy to sell natural

gas to free trade agreement countries and non-free trade agreement countries.

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